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SUBJECT: Saarland SPD Leaders Air Dirty Laundry, Embrace
Centrist Platform for Upcoming Elections

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c) 2003 Frankfurt 005178

SUMMARY

1. SUMMARY: In a nationally-publicized showdown, former finance minister/Social Democratic (SPD) chairman Oskar Lafontaine used the Saarland SPD's June 20 convention to issue a blistering critique of Chancellor Schroeder's national government and its Agenda 2010 reform program. With national SPD chairman Franz Muntefering in attendance, Lafontaine called for the SPD to return to its roots as a working-class party and to abandon what he termed the Schroeder government's "public relations campaign" of reforms. Saar party chairman and lead candidate Heiko Maas echoed Lafontaine's left-wing tenor but succeeded in passing a moderate center-left platform for state elections this September, when the party faces an uphill battle to unseat Christian Democratic Minister-President Peter Mueller. END SUMMARY.

2. On June 20, a Consulate representative attended the SPD's final convention in Saarland before state elections in September. The event featured state party chairman and election standard-bearer Heiko Maas as well as former Saarland Minister-President Oskar Lafontaine, a noted left-wing activist within the party. National SPD chairman Franz Muntefering attended the event in an effort to boost visibility in the Saar SPD's state election campaign.

3. In his speech, Lafontaine railed against the SPD's economic reform program. The former SPD chairman labeled Agenda 2010 as a "public relations campaign," saying the reality was wage cuts, longer work hours, and sharply reduced social benefits. The usually moderate Heiko Maas surprised political observers by underscoring Lafontaine's remarks and warning that the national SPD's current policies will cost the party the election in 2006. Maas called for greater attention to economically vulnerable groups and a rejection of reforms that widen the gap between rich and poor.

4. Muntefering used his time at the podium to defend Agenda 2010 and criticize Lafontaine for political dogmatism and an inability to compromise. He stressed that the Social Democrats should focus on achievable goals and not unrealistic promises. In sharp contrast to the enthusiastic responses given to Lafontaine and Maas, Muntefering's remarks met with tepid applause, and the chairman left clearly disappointed by the day's events.

5. In spite of Lafontaine's populist rhetoric, convention delegates produced a centrist platform for the September elections similar in some ways to the CDU platform issued the same weekend. The SPD manifesto largely embraces the incrementalist reforms of Agenda 2010 while criticizing the Mueller government's performance in Saarland (particularly on education). The manifesto criticizes the state's narrow focus on the automotive sector, advocating more investment in energy and life sciences.

6. COMMENT: An unapologetic left-wing true believer, Lafontaine strikes an emotional chord with many SPD members disappointed by painful reforms and the sluggish economy. Saarland Social Democrats also worry that voter dissatisfaction with the Schroeder government may overshadow Saarland state issues like record debt and lagging education reforms. Maas is trying to use Lafontaine's rhetoric to distance himself from the unpopular national government while fielding a centrist platform to appeal to moderate swing voters. Saar Social Democrats' greatest obstacle, however, is popular CDU Minister-President Peter Mueller, who remains the clear favorite in September (reftels). END COMMENT.

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